



SSDA News

Service Station Dealers of America and Allied Trades

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SSDA-AT Calls for Action on Right to Repair

By Roy Littlefield

SSDA-AT has issued a compelling call to action for members of the House Energy and Commerce Committee to support the Right to Equitable and Professional Auto Industry Repair Act (REPAIR Act), HR 906. This critical bipartisan legislation, led by Dr. Neal Dunn (R-FL), aims to preserve consumer access to affordable and high-quality vehicle repair services in an era of rapidly advancing automotive technology.

A recent Consumer Reports survey highlighted a significant consumer preference for independent repair shops over dealerships. The April 2024 survey found that when it comes to automotive service facilities, Consumer Reports members overwhelmingly prefer independent shops and, in some cases, chains over dealerships. The survey indicated that independent shops received higher overall satisfaction scores compared to any other category of service facilities. This clear consumer preference underscores the necessity of legislation that ensures consumers retain the freedom to choose their repair service providers.

Modern vehicles, often described as "computers on wheels," can contain over one hundred million lines of code. This innovative technology requires specific parts, manuals, diag-

nostic tools, and more. When these resources are restricted by vehicle manufacturers, it significantly hinders the ability of the more than 150,000 independent repair shops in the United States to compete. The REPAIR Act aims to eliminate these barriers, fostering open competition, driving innovation in the repair market, and creating more affordable repair options for consumers.

SSDA-AT's call to action emphasizes the critical need for legislative support to move the REPAIR Act forward. By supporting the REPAIR Act, lawmakers can ensure that vehicle owners retain the freedom to choose their repair facility and access a variety of affordable and high-quality repair options.

SSDA-AT urges the House Energy and Commerce Committee to support this pivotal legislation and expedite its passage. By doing so, they can ensure that the REPAIR Act becomes a cornerstone of consumer rights and market fairness in the automotive industry, safeguarding the interests of vehicle owners and independent repair shops alike.



Building a Successful Website

By: McKensie Curnow of Net Driven

Building your own website has become increasingly simple and inexpensive in recent years. Though easy and accessible, DIY websites do not guarantee a website that works well or leaves a lasting impression for your business and your audience.

Your website is a reflection of you and your business, so you're obviously going to want to build a strong, professional, and positive presence to attract customers. Taking the risk of building a website on your own is taking the risk of losing potential leads and damaging your business's reputation – we never get a second chance to make a first impression!

When you invest in a professional web design team, such as our team here at Net Driven, you're not only investing in the visual appearance and accessibility of your website, you also invest in expert advice, techniques, and best practices to create the best possible user experience. Spending less money and trying to do it on your own may seem like the easy way out, but let's dive into why it's important to give your business the professional auto service website design it deserves.

COMMON MISTAKES MADE BY INEXPERIENCED DESIGNERS

Poor Structure & Navigation

A website should be attractive, accessible, and easy to navigate; all in all, user-friendliness is vital. A site's content should be understandable and full of useful information without being cluttered. In today's day and age, people like quick and simple. If they can't find what they need without gaining a headache, they're going to leave your site and find a frustration-free one instead. At Net Driven, we know how to organize automotive websites in a way that makes sense for both the business owner and their potential customers.

Lack of SEO

If no one can find your website, what's the point in making the effort of creating one? Many rookie designers forget the importance of SEO, or Search Engine Optimization.

As a certified Google Partner, our team highly knowledgeable of automotive SEO and works hard to make sure your site gets found.

Missing CTA

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NET DRIVEN



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Your website is one of the most powerful marketing tools for your business.

Not only does your website have the power to bring in new customers, it also helps current customers remain loyal if they find what they're looking for with minimal frustrations.

One of the main components of a great website is a clear CTA, or call-to-action.

A CTA is what converts website visitors into customers by driving them to purchase your good or service. If your website is missing a clear CTA, you'll lose sales and customers.

At Net Driven, our team ensures that every website offers conversion-focused responsive web design.

Using Free or Low-Cost Templates

Rookie designers are likely to use a free or low-cost template for their website.

While this may seem like an easy solution, it will make your website look generic and unconnected to your brand.

Your business is unique, your website should be, too. Our designers take the time to ensure each one of our automotive websites are exclusive to the

client and capture the individuality of their business. As with any service or good, you get what you pay for.

Your money buys value, which in turn, will actually build your business's bank account in the long run.

Your company's website is no exception. If you want to leave a lasting, positive impression of your brand, leave website design to the professionals.

Still not convinced?

Check out our portfolio of the finest responsive web design in the automotive industry.

For further details, visit our solutions and packages pages.



Supreme Court Backs Rules on Methane, Mercury Emissions

Two Biden administration initiatives dealing with reducing methane from oil and natural gas drilling and mercury emissions from coal-fired power plants have passed muster at the US Supreme Court, which is still considering the merits of a third order.

The energy industry and Republican-controlled states argued that the Environmental Protection Agency's mandates were unattainable and thus it had overstepped its bounds, but the high court rejected those arguments with no dissent noted.



Infinity Natural Plans IPO After Revenue Growth

Oil and natural gas producer Infinity Natural Resources has filed for an initial public offering on the NYSE after nearly doubling its revenue to \$120.7 million in the first half of 2024.

The company is backed by investment firms Pearl Energy Investments and NGP Capital.



Oil Company Phillips 66 Says it Will Shut Down Los Angeles-area Refinery, Yahoo

Oil company Phillips 66 announced Wednesday that it plans to shut down a Los Angeles-area refinery by the end of 2025, citing market concerns.

The refinery produces about 8% of California's crude oil, according to the state's Energy Commission. The company indicated it will remain operating in the state.

“With the long-term sustainability of our Los Angeles Refinery uncertain and affected by market dynamics, we are working with leading land development firms to evaluate the future use of our unique and strategically located properties near the Port of Los Angeles,” CEO Mark Lashier said in a statement.

“Phillips 66 remains committed to serving California and will continue to take the necessary steps to meet our commercial and customer demands.”

The closure will impact 600 employees and 300 contractors who help operate the refinery, the company said in a press release.

The announcement comes days after Democratic Gov. Gavin Newsom signed a law aimed at preventing gas prices from spiking at the pump. The law authorizes energy regulators to require refineries to maintain a certain level of fuel on hand. The goal is to avoid sud-

den increases in gas prices when refineries go offline for maintenance.

Phillips 66 said it supported the state's efforts to keep certain levels of fuel on hand to meet consumer needs.

The company also operates a refinery near San Francisco that produces about 5% of the state's crude oil, according to the state Energy Commission. Phillips 66 Santa Maria, a refinery that was located about 62 miles (100 kilometers) northwest of Santa Barbara, shut down in 2023 after the company announced plans to convert its San Francisco-area site into “one of the world’s largest renewable fuels facilities.”

Newsom has applied pressure on lawmakers to pass oil and gas regulations.

He called the state Legislature into a special session in 2022 to pass legislation aimed at cracking down on oil companies for making too much money.

The Democrat often touts California's status as a climate leader.

The state has passed policies in recent years to phase out the the sale of new fossil fuel-powered lawn mowers, cars, big rigs and trains.



When to Delay a Conversation, Smart Brief Opinion

Every big problem in an organization can be traced back to a conversation that should have happened but didn't. If you listed all the avoided conversations in the scope of a year, you'd likely see a correlation between avoidance and escalation. While initiating conversations sounds simple, starting conversations at the wrong time can escalate problems. While important conversations should never be avoided altogether, this article highlights three situations when it's more strategic to delay a conversation.

1. When you're angry

If anger is anything, it's misunderstood and misused. I don't know about you, but when I'm angry is when I'm most motivated to "tell it like it is." Even though anger creates a sense of urgency, it's usually the worst time to act. When you're angry, the executive function of your brain (pre-frontal cortex) shuts down, and decision-making suffers. When angry, the primal brain takes center stage and is mostly concerned with survival, winning and being right, not about collaboration or course correction.

What not to do: Don't believe everything you think when you're angry, and don't make the mistake of interpreting anger as a signal to take quick action. Don't shoot from the hip, but at the same time, don't avoid the con-

versation just because you're afraid of your own anger.

What to do instead: Calm down. Sleep on it and do some preparation. Delay the conversation until you can let go of assumptions and clearly articulate the facts. The paradox is that once you calm down, it's easy to fool yourself into thinking that everything is OK. Remind yourself that, even though you're over it, your anger signals a problem; something needs to be addressed at the appropriate time, not something to brush over.

2. When they're emotional

When it comes to managing conflict, timing is everything. Many leaders avoid conversations because they don't want to be on the receiving end of someone's anger or defensiveness. Others are afraid they might make someone cry. When they're emotional, you aren't going to be able to facilitate positive change.

What not to do: Don't try to coach a dysregulated person; they can't hear you. During difficult situations, if you see defensiveness, intense sadness, or anger, take a breath. Don't take on their emotion, and don't walk on eggshells. Recognize that their emotions, feelings and interpretations belong to them, not you. You don't need to overcompensate; make promises you can't keep or give insincere

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When to Delay a Conversation, Smart Brief Opinion

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compliments to manipulate them. Don't avoid having the conversation, simply delay it.

What to do: Stop coaching. Stop talking. Acknowledge the emotion, for example, "You seem upset," or "I'm sensing this is very difficult for you." Wait until they say, "Yes, that's right." If the other person feels understood, they're more likely to receive what you have to say. If they still aren't ready, suggest resuming the conversation after a small break, whether that break is five minutes or the next day. Promise the other that you'll still have the conversation even though it's temporarily delayed. This way, they won't use emotion as a tactic to influence you.

3. When you haven't prepared

It's common for leaders to speak impulsively without preparation when it comes to difficult conversations about performance or behavior. The reason stems from not knowing how to prepare, not knowing how to articulate the problem, or not clearly knowing the desired outcome. Once the problem has escalated, many leaders simply decide to shoot from the hip, leaving the outcome to chance.

What to do: Get the facts first. See if you can write down the observed behavior. If you can't, then you're working off of feeling and assump-

tion. Statements like "They aren't engaged" are too general and based on interpretation. How does this behavior affect the organization? If you don't know, then you haven't connected their behavior to business results. If you can separate fact from feeling, you're better prepared to have a purposeful conversation.

What not to do: Don't engage the other person if you don't clearly know what the situation is and what you need to change. Don't act like their best friend by flattery or manipulation. Don't forget to give clear action steps with a date for follow-up posted on the calendar.

There are many reasons leaders avoid important conversations: lack of skills, fear of emotions and uncertainty that their efforts will be supported. Numerous factors contribute to successful conversations about performance or behavior. Although conversations should not be avoided, there are strategic reasons to delay potentially conflictual conversations.



LNG Players Go Electric as Costs, Emissions Take Spotlight, Energy Intelligence

LNG projects with electric motor drives are setting new benchmarks for what constitutes a low-greenhouse gas (GHG) emissions facility in North America and beyond, industry officials say.

New LNG projects in the Asia-Pacific are at the low end of the scale in terms of GHG intensity, aided by carbon capture and storage, with hydro-powered Canadian facilities close behind, according to David Drury, managing consultant at Gas Strategies. While proposed US terminals projects are at the high end, most of that is due to upstream emissions, and their GHG intensity is still lower than existing projects.

“The new projects are moving the goalposts, if you like, about what is competitive in terms of [GHG] emissions,” Drury said at the recent Gastech conference in Houston.

Texas to Tanzania

Indeed, there has been a lot of movement toward electric designs in recent years. In North America, Venture Global’s export projects in Louisiana rely on electric liquefaction modules, while Freeport LNG’s stick-built trains in Texas use massive electric motor drives. In Canada, the under-construction Woodfibre and Cedar LNG projects will also use electric equipment once up and running.

Further afield, Abu Dhabi National Oil Co., which sanctioned its Ruwais LNG project in Abu Dhabi earlier this year, plans to electrify the plant, while Exxon Mobil’s recent redesign of its Rovuma project in Mozambique contemplates electric modules. And more electric facilities are in development around the world, from Texas to Tanzania.

“It’s not every project out there, but we are seeing more starting to pick up pace,” Nathan Tungseth, senior vice president at technology company ABB, told Energy Intelligence.

But it isn’t solely the emissions footprint driving that increased interest. Electric drives are more efficient and require less maintenance than gas turbines, Tungseth explained. Gas-driven equipment, for example, tends to have an efficiency range of 30%-40%, while electric motors can increase that to around 95%.

On the maintenance side, electric drives can yield 10 more days per year of LNG production. “You don’t have to do maintenance as much, and so you get more output,” he said on the sidelines of the conference.

Diagnosing the Drawbacks

Freeport LNG has been seen as somewhat of a bellwether for the electric LNG space in the US, being the first to incorporate

LNG Players Go Electric as Costs, Emissions Take Spotlight, Energy Intelligence

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electric motor drives connected to the Texas power grid. The facility near Houston has experienced multiple outages since it came on line, including a recent weeklong outage caused by Hurricane Beryl.

Freeport employs 75 megawatt motor drives — massive by any standard and a novel technology while the project was being developed. But Tungseth says the industry is learning from Freeport's woes.

"I think what's happened now is the industry is saying, 'do we need to go that large on the motor drive side?'" he said. "You can go with a smaller but more reliable four-pole motor, and when you do that now, you don't have a lot of the really stringent characteristics that a large, 75 MW motor would have."

ABB, which does not have equipment at Freeport, has also developed technology to reduce outages at electric facilities. Called "dynamic time to surge," it was developed with Equinor for use at the Kollsnes processing plant in Norway. The facility experienced multiple outages when harsh weather knocked out power to the facility, losing between \$500,000 and \$1 million per trip, according to Tungseth.

The technology monitors and regulates grid power to enable motors and surge control systems to "ride" through what it sees as a minor voltage dip instead of shut-

ting down the entire process. It has saved the facility from 126 trips over the past four years, Tungseth says.

Electricity Everywhere All at Once?

While electric LNG is becoming more popular, it's unlikely to take off as a silver bullet from an emissions and efficiency standpoint. That's because it will depend on how ready the power source is.

Despite electric drives quickly becoming the norm in Canada, the Shell-led LNG Canada project has yet to determine whether it will power a second phase with hydroelectricity, as grid resources are expected to become strained.

In another example, the proposed Argent LNG facility in Louisiana originally envisioned electric facilities powered chiefly by wind. But that solution was neither efficient nor cost-effective, according to Tungseth.

"When you talk about an LNG plant, it's a massive amount of power, and you're talking anywhere between 500 and 1000 MW worth of power. That could be a small nuclear power plant."



API's Sommers: Oil and Natural Gas Today and in the Future

American energy leadership has never been more important – to our country and the world – than right now, amid heightened geopolitical tensions and policy uncertainty in Washington about the best ways to ensure reliable, affordable energy continues to be available to power economic growth and strengthen America's energy security.

API President and CEO Mike Sommers touched on those points and others in remarks at the annual meeting of the New Mexico Oil and Natural Gas Association in Santa Fe.

Sommers' speech was timely, given world events and America's upcoming election choices to determine control of the White House, Congress and state legislatures. The venue was appropriate given New Mexico's prolific oil and natural gas production – Lea County produces more oil than five OPEC nations combined – and the economic benefits the industry provides.

Key points:

Energy from oil and natural gas is needed today and will be needed tomorrow to meet growing energy demand.

Abundant U.S. oil and natural gas resources have built an American energy advantage relative to the rest of the world that must be supported or it could wither away.

Clear policy choices await the next presidential administration on whether to strengthen American energy security and economic growth.

Despite chaos around the world, the United States is energy secure because of its innovative, resilient oil and natural gas industry and the work of 11 million Americans whose jobs are supported by it.

Global population is projected to reach 10 billion by 2050 – and along with it, demand for energy. Even with the most optimistic projections for renewable energy, oil and natural gas are forecast to supply nearly half of the world's energy in 2050, roughly their share today.

Whoever wins on Election Day, the energy imperative will be to enact policies that recognize America's energy advantage and a U.S. global responsibility to lead in ways that advance security – for America and its allies. Sound policy must recognize the value of U.S. oil and natural gas.

SSDA-AT 2024 Government Affairs Industry Issues Update

In this election year, the SSDA-AT has focused on bipartisan efforts relating to tax reform, infrastructure funding, and Right to Repair. SSDA-AT has engaged with members of Congress through industry lobby days, coalition meetings, and individual discussions to push these critical issues forward.

SSDA-AT has been active on Capitol Hill, participating in meetings with legislators and roundtable discussions. We have also been involved with the Small Business Legislative Council (SBLC), addressing topics such as government funding, tax policies, and the upcoming election.

One key issue is the Corporate Transparency Act (CTA). SSDA-AT supports delaying the year-end reporting deadline and is backing Congressman Zach Nunn's "Protect Small Businesses from Excessive Paperwork Act" (H.R. 9278), which seeks a one-year extension. With 32.6 million entities affected, this is a bipartisan concern. SSDA-AT continues to advocate for this delay through meetings and formal letters to Congress.

Earlier this year, the FTC's (Federal Trade Commission) rule banning non-compete agreements for U.S. workers was set to take effect on September 4, 2024. However, a recent ruling by Judge Ada Brown in Texas halted its enforcement. SSDA-AT is monitoring the legal proceedings and will provide updates as the situation evolves.

Transportation funding remains a top issue for SSDA-AT with discussions set to amplify in the next Congress. SSDA-AT attended a luncheon with Congressman Sam Graves, Chairman of the House Committee on Trans-

portation and Infrastructure, where he highlighted recent bipartisan achievements and upcoming transportation policy.

SSDA-AT remains involved in efforts to repeal the Estate Tax through its participation in Family Business Coalition meetings. Next year, the exemptions levels for the Estate Tax will drop significantly without Congressional action. This remains a top issue for family-owned businesses.

This year, SSDA-AT launched a grassroots campaign supporting H.R. 906, the REPAIR Act, which aims to federally codify Right to Repair for the automotive sector. SSDA-AT and 23 other associations wrote to the House Energy and Commerce Committee, urging support for the bill. Currently, the REPAIR Act has 56 bipartisan co-sponsors.

A recent Government Accountability Office (GAO) report emphasized how new vehicle technologies and telematics could limit consumer repair choices, underscoring the need for Right to Repair legislation. SSDA-AT's advocacy continues to focus on protecting consumer choice and ensuring fair competition in the repair industry.

SSDA-AT remains committed to working with industry stakeholders and lawmakers to address these critical issues. Our legislative initiatives moving forward will be shaped by the opportunities presented by the incoming Congress after the election.



ICIS: Hurricanes an Issue for the Industry

Warmer waters in the Atlantic Basin could make record-setting hurricanes like Milton and Beryl more common, which strengthened rapidly to become major storms that caused significant damage.

Most of the petrochemical and refining capacity of the US is along the Gulf of Mexico, making the plants vulnerable to the disruptions caused by more powerful hurricanes that could become more common in the future.

Rising exports of energy, chemical feedstock and plastics from the US Gulf Coast have caused local hurricanes to have global consequences.

If wind shear becomes more common, then it could offset some of the strengthening effects that warmer water will have on hurricane development.

RECORD-SETTING HURRICANE SEASON

Warm water is like rocket fuel for tropical storms and hurricanes, and that led to the rapid intensification of Milton, which strengthened from a tropical storm into a Category 5 hurricane in less than two days.

By midday on Monday, the rapid strengthening of Milton placed it among the top three Atlantic hurricanes, behind only 2005's Hurricane Wilma and 2007's Hurricane Felix, said Alex DaSilva, lead hurricane expert at the meteorology company AccuWeather.

Milton had set another record as the strongest hurricane to occur in the Gulf of Mexico, according to Levi Silvers, research scientist at the Department of Atmospheric Sciences at Colorado State University, which publishes regular hurricane forecasts.

Milton was also the Gulf's strongest hurricane since Rita in 2005, Silvers said.

Milton would weaken to a Category 3 hurricane before making landfall on Wednesday night.

AccuWeather estimates that Milton could cause more than \$200 billion in damage and economic loss.

Earlier on July 2, Beryl set its own record by becoming the earliest Category 5 hurricane to form in the Atlantic basin, beating the previous record holder by an astounding two weeks, DaSilva said.

According to Silvers, Beryl also accumulated more cyclone energy than any other storm occurring before August. "Basically, it was the strongest early storm we have had by several measures."

After forming in the Atlantic Beryl weakened after passing over Mexico's Yucatan peninsula before making landfall in Texas and disrupting operations at several petrochemical plants.

AccuWeather estimated that total damage and economic loss caused by Beryl was \$28 billion to \$32 billion.

Hurricane Helene set a record for the amount of available atmospheric moisture, also known as precipitable rain, according to AccuWeather. Such extreme amounts of moisture allowed Helene to carry it far inland, leading to rapidly rising river levels and flash flooding.

AccuWeather estimates that Helene caused \$225 billion to \$250 billion in damage and economic loss in Florida, Georgia and the Carolinas.

WARM WATER THREATS

If the planet continues to warm, one of the consequences would be elevated water temperatures.

Warmer waters contributed to the strength and rapid intensification of these three hurricanes, DaSilva said.

The danger is not just the surface temperature of the Atlantic but also something that meteorologists call ocean heat content, DaSilva said. Ocean heat content reflects water temperatures below the surface.

Standing Up for America's Oil and Natural Gas Industry, API

On a sunny summer day in Southwest Pennsylvania, Mikki and her husband Roger set out with signs in hand, ready to make a difference in their community. At a bustling intersection, they waved to passing cars, each honk and wave of support filling them with a sense of accomplishment.

Their mission? To champion the oil and natural gas industry that has created jobs and revitalized the state they've called home their entire lives. As dedicated Energy Citizens, Mikki and Roger advocate for the energy that powers their farm and supports families across Pennsylvania. Through grassroots efforts, they stand up for reliable American energy, ensuring its future in their community and beyond.

They were joined by fellow Energy Citizens across the country during the August congressional recess – the time when federal legislators return to their home states and districts.

But Energy Citizens' advocacy extends beyond street corners. Whether participating in honk-and-wave, engaging directly with legislators, or phone banking, they are passionate about ensuring the oil and natural gas industry continues to thrive both locally and nationally.

During this August recess, Energy Citizens (EC) took more than 44,000 online actions on key issues such as liquefied natural gas (LNG), tail-pipe emissions, pipelines, and API's Five-Point Policy Roadmap. Their efforts included sending 21,639 letters to more than 500 legislators across all 50 states and D.C., completing 718 volunteer shifts, and submitting 77 public comments.

About Energy Citizens

Energy Citizens is a grassroots organization of Americans from all 50 states dedicated to advo-

cating for policies that support a strong U.S. oil and natural gas industry. An Energy Citizen cares about the future of American-made energy and energy security and is ready to take action.

The goal is to encourage government policies that ensure access to affordable and reliable energy while challenging those that restrict energy options, increase costs, or potentially leave people behind. Equipped with tools and resources – from digestible updates on key policy issues to training on direct advocacy with elected officials – Energy Citizens turn support into meaningful actions.

Who are Energy Citizens

Energy Citizens represent a diverse community of individuals who bring unique perspectives and experiences to advocate on a full spectrum of issues. Take Obi, for example. A Nigerian immigrant who arrived in the United States in 2002, Obi sought stability and opportunity in his new country. Coming from a nation where energy is the lifeblood of the economy, he brought a profound understanding of its importance. With a background in civil engineering and a passion for education, Obi taught high school physics in Pennsylvania, combining his expertise with his love for teaching.

As an active Energy Citizen, Obi has participated in four advocacy events, including Pennsylvania Oil and Gas Day at the Capitol. His dedication is fueled by a belief in the power of collective action to influence legislators.

"We send a signal to the legislators who work for us," Obi says.



The Hill: Biden Administration Requires Removal of Most Lead-Contaminated Water Pipes Within 10 Years

About a decade after the Flint water crisis, the Biden administration is requiring the removal of most of the nation's lead-contaminated water pipes within 10 years.

The Environmental Protection Agency (EPA) is issuing a final rule that forces water systems to replace water lines containing lead within a decade. It expects that between 96 and 99 percent of systems will be able to achieve this.

President Biden is expected to announce the new rule during a visit to Milwaukee on Tuesday, where the administration says federal funds have helped push the timeline for replacing lead pipes from 60 years down to 10.

Exposure to lead can cause brain and nervous system damage in children. In adults, lead can cause reproductive issues, nerve disorders, high blood pressure and memory problems.

The Biden administration says that it expects its rule will prevent 900,000 infants from having low birth weight, 2,600 children from developing ADHD and 1,500 premature deaths from heart disease each year.

"President Biden is the president who is finally putting an end to this generational public health crisis," said EPA Administrator Michael Regan. "Delivering a lead free America is President Biden's legacy," he added. "This is a matter of public health, a matter of environmental justice, a matter of basic human rights, and it is finally being met with the urgency it demands."

The announcement comes more than a decade after the start of the nation's most well-known lead contamination crisis. In 2014, a water supply switch caused lead pipes in Flint, Mich., to corrode and resulted in the substance contaminating the city's water and exposing nearly 100,000 people to lead.

"Once you have these chronic health conditions, the only thing you could do is manage it," said Nayyirah Shariff, director of the local advocacy group Flint Rising. "We're still fighting for ... funding for those support systems that our community needs."

Flint is just one of many communities whose water is served by lead pipes. About 9.2 million lead service lines serve water to communities across America.

Cities including Chicago, Cleveland, New York and Detroit have some of the highest numbers of lead service lines, according to the Natural Resources Defense Council, an environmental advocacy group.

"It can literally happen anywhere," Shariff said. While the new rule from the EPA was first proposed last year, an official described the final regulation as more stringent.

Last year's proposal contained an exemption that would have given some cities with particularly high numbers of lead lines years longer to complete their lead service line removals. That provision could have kept some Chicago residents drinking out of lead service lines for more than 40 years.

An official told reporters this week that those timelines have been slashed in the stricter final rule. The rule in particular gets rid of the exemption for water systems based on the sheer number of service lines they need to replace and now only allows for exemptions based on the percentage of lines that need replacement.

In addition to requiring most systems to remove their lead lines in 10 years, the new rule from the EPA is also lowering the threshold level at which water providers need to take interim actions to mitigate lead exposure.

Currently, utilities have to take actions like corrosion control if 10 percent of a system's water samples are found to contain at least 15 parts per billion of lead. Under the new rule, this drops down to 10 parts per billion.

Both environmental groups and water providers have estimated that the total cost of replacing lead service lines could be up to \$60 billion. Similarly, the EPA estimated that its rule would cost about \$1.47 billion to \$1.95 billion each year over a 35-year period.

Energy Companies Beginning to Find More Ways to Use AI, Rig Zone

As cases and regulations around artificial intelligence (AI) evolve, energy companies are beginning to find more ways to use AI.

That's according to a new report from Morningstar DBRS, sent to Rigzone recently, which stated that companies are collaborating with AI startups and Big Tech companies to run pilot projects evaluating the practicality of using AI in their day-to-day business, as well as exploring changes to their risk management frameworks to address technological and regulatory risks arising from the adoption of AI.

"We believe that AI, which collectively includes machine learning (ML), robotics, and natural language processing (NLP), has the potential to add value to the O&G sector in three broad ways," the report said.

"Firstly, it could significantly reduce the time for various processes by automating key workflows. Secondly, it could improve the accuracy of key forecasts by using the latest tools for predictive analytics," it added.

"And thirdly, it could aid in real time the monitoring of assets, allowing companies to preempt potential system failures," it continued.

In the report, Morningstar highlighted that "efficiency of key processes, such as seismic interpretation, reservoir modeling, and asset maintenance, can be in-

creased as ML models are trained using a company's historical data".

"Predictive analytics, process automation, and reservoir engineering have been the most explored AI use cases by U.S. O&G companies in 2024," it added.

Morningstar noted in the report that the adoption of AI by technology companies has been rapid but added that, traditional sectors, including the oil and gas sector, are quickly adopting AI into their business models as well.

"However, understandably, the pace of adoption for this sector has been slower because it is considered more challenging to employ AI processes for current business models, and digital competence is a key requirement to extract value," the company said in the report.

Morningstar also highlighted several "potential challenges to AI adoption" in the report. These included "the increased threat of cyberattacks, which are likely to intensify given growing geopolitical risks", "competition for talent with the requisite skills as O&G companies compete against Big Tech companies and technology startups", and "the investment required to strengthen IT infrastructure and implement effective skill development programs".

ADNOC Gas, ADNOC AI

In a release posted on its site back in August, ADNOC Gas noted that it has been a pioneer in Artificial Intelligence, Digitali-

Energy Companies Beginning to Find More Ways to Use AI, Rig Zone

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zation and Technology (AIDT) for the gas industry.

“The company installed one of the industry’s largest Real Time Optimizer (RTO), which is a solution that helps in analyzing operation parameters and recommends how to reduce energy consumption and emissions,” the company said in the release.

“The solution first piloted in 2018 was rolled out across 27 production trains,” it added.

In the release, ADNOC Gas noted, that, overall, \$1 billion in value has been realized through deployment of AIDT in ADNOC Gas since 2016. A further \$2 billion is expected over the next five years, the company said in the release.

ADNOC Gas describes itself as a world-class, large-scale integrated gas processing company operating across the gas value chain, from receipt of feedstock from ADNOC through large, long-life operations for gas processing and fractionation to the sale of products to domestic and international customers.

It supplies approximately 60 percent of the UAE’s sales gas needs and supplies end-customers in over 20 countries, the release highlighted.

In a release posted on ADNOC’s site in March, ADNOC said over 30 AI tools have unlocked significant value across ADNOC’s full value chain, “from field operations to smarter and quicker corporate decision-making”.

“AI is also supporting ADNOC’s net zero by 2045 ambition and its target to achieve near-zero methane emissions by 2030,” ADNOC stated in that release.

ADNOC describes itself as a leading diversified energy group, wholly owned by the Abu Dhabi Government.

Transformative Changes

In a release sent to Rigzone by the GlobalData team back in July, GlobalData stated that AI and robotics are leading transformative changes in the oil and gas sector.

“These technologies are reshaping how the sector approaches exploration, production, refining, and logistics, instituting a new era of innovations for heightened productivity, efficiency, sustainability, and safety,” GlobalData said in the release, which highlighted that the company had released a report on AI and robotics in oil and gas.

A release sent to Rigzone by GlobalData earlier this year outlined AI as one of the biggest themes driving growth in the oil and gas industry in 2024.



1532 Pointer Ridge Place, Suite G
Bowie, Maryland 20716

Phone: 301-390-0900

Fax: 301-390-3161

E-mail: rlittlefield2@wmda.net



For more information on SSDA-AT, please contact:

Roy Littlefield, IV, Managing Director/ Editor

rlittlefield2@wmda.net ♦ 301-390-0900 ext. 137

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